

Joint statement between investors participating in Climate Action 100+ and Equinor ASA

This joint statement has been prepared by Equinor ASA (Equinor) and a group of investors leading the engagement with the company as part of the Climate Action 100+ initiative¹.

Introductory comments by the Institutional Investors

Climate Action 100+ is a collaborative engagement initiative launched in December 2017, which now has the support of 320 investors representing more than US\$33 trillion of assets under management. The initiative's aim is to engage with systemically important greenhouse gas emitters and other companies across the global economy that have significant opportunities to drive the clean energy transition and help achieve the goals of the Paris Agreement on climate change. This agreement defines the goal to holding the global average temperature increase to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels. It also includes the aim to reach global peaking in greenhouse gas emissions as soon as possible, undertake rapid reductions, and achieve a balance between emissions by sources and removals by sinks in the second half of the century.

As institutional investors and consistent with our fiduciary duty to our beneficiaries, we believe climate change represents one of the greatest systemic risks facing society today. All parts of society have a role to play, not least energy-intensive, publicly listed companies. Any gaps, weaknesses or delays in climate change policies and responses will increase the risk to society's ability to limit climate change-related temperature increase in accordance with the Paris Agreement. Failure to act may also increase the cost of adaptation as well as the physical risk posed by climate change to society and our investments.

Equinor has demonstrated leadership on climate change in a number of important areas. Its corporate strategy and recent name change provide clear signals of its intent to develop as a broad energy company and shift towards a greater proportion of low-carbon assets. Equinor has invested in renewables and low-carbon energy technologies, has made positive progress in its approach to emission and resource management and has played an important role in promoting implementation of the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD). We acknowledge the efforts made by Equinor to date to embed climate change into its strategy, risk assessments, investment decisions, operating decisions and disclosures.

As institutional investors and in the context of the Climate Action 100+ initiative, we further encourage Equinor's board of directors and management to pursue a strategy which is consistent with the goals of the Paris Agreement. This is the motivation for our engagement, in which we have raised the following items with the company:

- Stress testing of the portfolio and new material capital expenditures
- Climate-related ambitions, targets and key performance indicators (KPIs)
- Targets linked to remuneration
- Measures to drive decarbonisation
- Climate policy engagement and transparency

¹ Investors leading this coalition are HSBC Global Asset Management, Storebrand Asset Management and UBS Asset Management.

Introductory comments by Equinor

Equinor supports the goals of the Paris Agreement. Our purpose is to "turn natural resources into energy for people and progress for society". To thrive in the energy transition, we aim to maintain our position as an industry leader in carbon efficient oil and gas production, continue to grow in new energy solutions and play an active role in society's decarbonisation. We see our low carbon strategy as a competitive advantage which creates long term value for our shareholders.

Equinor is developing as a broad energy company, with oil and gas, renewable energy and CCS as integrated parts of our business. In our Climate Roadmap, we communicate our commitment to reduce own emissions and help drive decarbonisation by scaling up investments in new energy solutions and low carbon R&D. We recognise the value of transparent reporting of climate-related risks and annually stress test our portfolio against recognised low-carbon energy scenarios.

A transformation of the world's energy systems is needed to achieve the goals of the Paris Agreement. The dual challenge of affordable energy for all, combined with significantly reduced emissions, is a societal challenge, where governments, investors, companies and consumers all have important roles to play.

Equinor is committed to playing an active and positive role in society's decarbonisation through engagement, technology, operations, innovation and investments. Our activities do not include direct engagement with end users of products. However, we pursue projects in the areas of hydrogen and CCS, we strongly support carbon pricing and have launched plans to invest in natural carbon sinks in the form of protection of tropical rainforest.

Equinor is dedicated to openness and collaboration. We value the long-term relationship with our investors and acknowledge the positive role that can be played by ongoing engagement and open dialogue with investors, other industry players, governments and society, including exploring approaches to monitor and reduce indirect emissions.

Joint Statement

We, the Institutional Investors and Equinor, are pleased to jointly announce the steps that Equinor will take to demonstrate further industry leadership in support of the goals of the Paris Agreement.

1. *Stress testing of the portfolio and new material capital expenditures*

- Equinor is committed to pursuing a resilient business strategy, which it believes is consistent with the goals of the Paris agreement.
- Equinor will report in line with the TCFD recommendations through its annual report and sustainability report, as appropriate, disclosing information and metrics to assess and manage material climate-related risks and opportunities.
- Equinor will continue to stress test its portfolio, including new material capital expenditure investments, against relevant scenarios and explain how exploration is handled in this context.
- Equinor will from 2019 assess its portfolio, including new material capital expenditure investments, towards a well below 2°C scenario. If and when a relevant well below 2°C scenario is available, with necessary price assumptions, Equinor will include this in its overall stress testing.
- Equinor will seek to enhance the disclosure on how such analysis informs and impacts its holistic approach to business risk, strategy, portfolio, capital expenditure and climate-related targets and ambitions.

2. Climate-related ambitions, targets and KPIs

- Equinor has established climate-related targets for the company's operated emissions by 2030 covering methane intensity, emission reductions and upstream carbon intensity, as well as a 2020 target for low-carbon R&D expenditures.
- Equinor will review its climate-related targets up to 2030 and set out climate-related ambitions beyond 2030 for its business activities, informed by its assessment, stress testing and business strategy.
- Equinor will regularly review its climate-related ambitions, targets and KPIs. It will publish its updated targets and ambitions in 2020 and thereafter report annually on the progress to achieve them.

3. Targets linked to remuneration

- Equinor has established climate performance indicators at corporate, business area and site level. Upstream carbon intensity is one of the KPIs linked to the executive remuneration.
- Equinor commits to further strengthen the link between its climate-related targets and remuneration for senior executives and employees.² Equinor will seek to align remuneration with its updated short, medium and long-term climate-related targets and ambitions once they have been defined in 2020.

4. Measures to drive decarbonisation

- Equinor is committed to continue to play an active and positive role in society's decarbonisation through its engagement, technology, innovation, operations and investments.
- Equinor will further explore additional approaches and engagements to drive decarbonisation towards the shared ambition of consistency with the goals of the Paris Agreement, including along the company's value chain and the end use of products (scope 3 emissions).
- From 2020 Equinor will report overall estimated carbon intensity of energy products and services provided.

5. Climate policy engagement and transparency

- Equinor promotes transparency and recognises³ the importance of ensuring that its membership in relevant trade associations does not undermine the company's support for the goals of the Paris Agreement.
- Equinor commits to undertake a comprehensive review of its memberships in industry associations that hold an active position on climate and energy policy.
- Equinor will describe the outcome of the review, including seeking to disclose any material inconsistencies and potential actions taken in that regard, directly on equinor.com by the first quarter of 2020.
- Equinor will continue to track and provide information about its trade association activities on climate change-related topics, areas of material misalignment and the actions taken in that regard.

² Any change in employee remuneration is subject to dialogue and agreement with relevant employee bodies.

³ Equinor acknowledges the "IIGCC Investor Expectations on Corporate Climate Lobbying". The company's climate policy positions are publicly available. Equinor does not make any political monetary contributions. Further information on the company's climate policy work is currently available in its annual submissions to the CDP.

Equinor disclaimer

This joint statement contains certain forward-looking statements that involve risks and uncertainties. In some cases, we use words such as "ambition", "continue", "could", "estimate", "expect", "believe", "focus", "likely", "may", "outlook", "plan", "strategy", "will", "guidance", "targets", "goals", "consistent" and similar expressions to identify forward-looking statements. Forward looking statements include all statements other than statements of historical fact, including, among others, statements regarding Equinor's plans, intentions, aims and expectations to maintain its position as an industry leader in carbon efficient oil and gas production and continue to grow in new energy solutions; to pursue a resilient business strategy which it believes to be consistent with the goals of the Paris Agreement; to report in line with TCFD recommendations through its annual and sustainability reports; to stress test Equinor's portfolio against relevant scenarios; to assess the portfolio from 2019 towards a well-below 2°C scenario and to include a well- below 2°C scenario with price assumptions when available in Equinor's overall stress-testing; to enhance disclosure on how stress-testing informs Equinor's business; to review Equinor's climate-related targets to 2030 and set out climate-related ambitions beyond 2030 for its business activities; to regularly review Equinor's climate-related ambitions, targets and KPIs and to publish updated targets and ambitions in 2020 and thereafter report annually on progress; to strengthen the link between climate-related targets and remuneration for senior executives and employees and to align remuneration with climate-related targets; to explore additional approaches and engagements to drive decarbonisation towards consistency with the goals of the Paris Agreement along Equinor's value chain and the end use of products; to report overall estimated carbon intensity from 2020; and to undertake a review of Equinor's memberships in industry associations that hold active positions on climate and energy policy and to describe the outcome of that review on www.equinor.com by the first quarter of 2020.

You should not place undue reliance on these forward- looking statements. Our actual results could differ materially from those anticipated in the forward-looking statements for many reasons.

These forward-looking statements reflect current views about future events and are, by their nature, subject to significant risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, including levels of industry product supply, demand and pricing; price and availability of alternative fuels; currency exchange rate and interest rate fluctuations; the political and economic policies of Norway and other oil and energy-producing countries; EU developments; general economic conditions; political and social stability and economic growth in relevant areas of the world; global political events and actions, including war, political hostilities and terrorism; economic sanctions, security breaches; changes or uncertainty in or non- compliance with laws and governmental regulations; the timing of bringing new fields or wells on stream; an inability to exploit growth or investment opportunities; material differences from reserves estimates; adverse changes in tax regimes; the development and use of new technology; geological or technical difficulties; operational problems; operator error; inadequate insurance coverage; the lack of necessary transportation infrastructure when a field is in a remote location and other transportation problems; the actions of competitors; the actions of field partners; the actions of governments (including the Norwegian state as majority shareholder); counterparty defaults; natural disasters and adverse weather conditions, climate change, and other changes to business conditions; an inability to attract and retain personnel; relevant governmental approvals; labour relations and industrial actions by workers and other factors discussed elsewhere in this report. Additional information, including information on factors that may affect Equinor's business, is contained in Equinor's Annual Report on Form 20-F for the year ended December 31, 2018, filed with the U.S. Securities and Exchange Commission (and section 2.11 Risk review – Risk factors thereof). Equinor's Climate Roadmap, Sustainability Report and Equinor's 2018 Annual Report and Form 20-F are available at Equinor's website www.equinor.com.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot assure you that our future results, level of activity, performance or achievements will meet these expectations. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of these forward-looking statements.

Any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, we undertake no obligation to update any of these statements after the date of this report, whether to make them either conform to actual results or changes in our expectations or otherwise.